

**CHIEF ADMINISTRATIVE OFFICE
FINANCIAL AND ASSET MANAGEMENT BRANCH**

Risk Management Operations: Program Overview

The following is general information, only, concerning various County risk management activities. Questions should be directed to CAO Risk Management Operations.

I. COMMERCIAL INSURANCE ADMINISTRATION

A. Serve as County's internal insurance adviser and broker. Administer commercial insurance programs.

B. Programs include, but are not necessarily limited to, the following:

- Animal Care and Control: Liability (Thousand Oaks)
- Animal Care and Control: Equine Rescue Team – liability
- Animal Care and Control: Equine Rescue Team - accident health
- Aviation Personal Accident
- Aviation/Airport/ Hull Physical Damage
- Contract Cities Excess Liability
- Contractors Liability (SPARTA)
- Comprehensive Crime
- Public Officials Bond
- Fiduciary Liability
- Fine Arts Property
- Excess General Liability for Health Care Related Operations
- Real and Personal Property, including Boiler and Machinery, Co-generation Plants, and LAC-CAL
- Parks/Recreation - Lake Los Angeles Park Association Liability
- Public Works First Party Liability
- Bookmobile/Breathmobile Auto Liability
- Sheriff Reserve Deputy Disability
- Special Events Liability
- Volunteer Workers Medical Expense

C. Assess risk to determine appropriate balance of commercial insurance or self-retention, adequate levels of policy limits or self-retention, appropriate funding source(s) and insurance cost estimates.

D. Solicit primary and excess commercial insurance coverages including development and issuance of Requests for Proposals (RFPs), administration of RFP rating and selection process, development of department concurrence and Board and County approvals.

- E. Coordinate the loss adjustment process:
1. notify brokers and underwriters of loss.
 2. coordinate repair activities and emergency operations of County departments with claims and insurance representative.
 3. coordinate with ISD, involved County departments and Auditor-Controller to ensure all insured costs are billed and invoices and supporting documents contain the information required by underwriters.
 4. submit costs to adjuster and negotiate settlement with approval of County department.
 5. obtain payment from underwriters and credit to appropriate County department account.

II. CLAIMS ADMINISTRATION

- A. Establish Countywide policy for auto, general and medical malpractice liability claims administration. For 2000 - 2001, the program budget is approximately \$58.7 million.
- B. Develop Countywide procedures and guidelines for:
- accelerated claims settlement
 - incident reporting and accident review
 - case reserving
 - cost allocation
 - structured settlements
 - subrogation activities
 - insurance broker services agreements
 - third party claims administrator (TPA) performance auditing
- C. Negotiate and supervise contracts with third party claims administration firms for the handling of auto, general and medical malpractice claims and lawsuits assigned by County Counsel.
- D. Administer the Contract Cities and Special Districts Auto and General Liability trust funds, and coordinate Contract Cities Liability Trust Fund Oversight Committee meetings with the Contract Cities Association Claims Board and County departments.
- E. Administer quarterly TPA vendor file audits and monthly administrative meetings.
- F. Review and monitor TPA replenishment requests, subrogation recoveries and

reports.

III. FINANCIAL ADMINISTRATION

- A. Prepare, administer and monitor Insurance Budget and financial performance.
- B. Coordinate and monitor accounting and budgeting functions performed by County departments and vendors.
- C. Authorize financial payments to insurance brokers, underwriters, consultants, TPAs and other parties in accordance with Board and/or delegated authority.
- D. Review and authorize structured settlements and payments.
- E. Administer financial audits, and financial and actuarial studies.

IV. RISK MANAGEMENT INFORMATION

- A. Develop and provide County management, operations and fiscal staff with statistical and financial reports to support County budgeting, accounting, cost allocation, cost projection and loss prevention.
- B. Develop and administer the new risk management information system.
- C. Administer the County's present (outgoing) risk management information system.

V. RISK ASSESSMENT AND ANALYSIS

- A. Advise County departments on alternative risk transfer and risk financing techniques, including use of commercial insurance, self-insurance, hold harmless and other contractual risk transfer agreements.
- B. Develop indemnification and insurance requirements for County service agreements and leases, and review County contracts to ensure appropriate risk management requirements are included.
- C. Execute County statements of indemnification for issuance to third parties.
- D. Advise departments on insurance issues related to insurance company ratings and performance.
- E. Act as liaison between the County and the State Department of Insurance.

- F. Analyze and recommend County's position on legislative issues relating to risk management and commercial insurance.

VI. RISK MANAGEMENT ADVISORY COMMITTEE

- A. Provide staffing support to the County Risk Management Advisory Committee.

VII. LOSS PREVENTION SUPPORT

- A. Administer the County Driver Record Review Program and National Safety Council Defensive Driving Courses.
- B. Assist Risk Management Inspector General and County departments in the review and analysis of incident and claims information.